

VIENNA TOWNSHIP
(Montmorency)
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2004

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name VIENNA TOWNSHIP	County MONTMORENCY
Audit Date 3/31/04	Opinion Date 9/28/04	Date Accountant Report Submitted to State: 9/30/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Accounting System for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

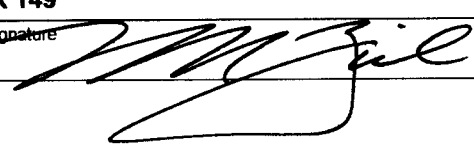
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

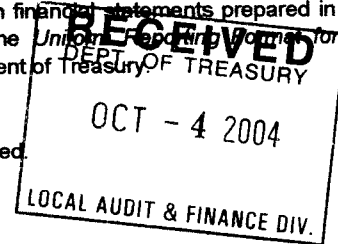
You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	<input checked="" type="checkbox"/>		
Reports on individual federal financial assistance programs (program audits).			<input checked="" type="checkbox"/>
Single Audit Reports (ASLGU).			<input checked="" type="checkbox"/>

Certified Public Accountant (Firm Name) THOMAS R. ZICK, CPA, P.C.			
Street Address P.O. BOX 149	City LEWISTON	State MI	ZIP 49756
Accountant Signature 		Date 9/30/04	



**VIENNA TOWNSHIP
TABLE OF CONTENTS**

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	2-3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General and Special Revenue Funds	5-6
Notes to Financial Statements	7-10
GENERAL FUND	
Balance Sheet	11
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	12
Detail Schedule of Revenues - Budget to Actual	13
Schedule of Expenditures - Budget to Actual	14
Detail Schedule of Expenditures	15-16
SPECIAL REVENUE FUNDS	
Combining Balance Sheet	17
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	18
Balance Sheets and Statements of Revenue by Source and Expenditures by Object:	
Special Revenue Funds:	
Fire Fund	19-20
EMS Fund	21-22
FIDUCIARY FUNDS	
Tax Collection Fund	23
ACCOUNT GROUPS	
General Long-Term Debt	24
General Fixed Assets	25
FINANCIAL AUDIT COMMENTS	26-27



Thomas R. Zick CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

P.O. BOX 149, 2947 MANTZ STREET
LEWISTON, MICHIGAN 49756
TELEPHONE: (989) 786-4032
FAX: (989) 786-7219

INDEPENDENT AUDITOR'S REPORT

September 29, 2004

Vienna Township Board
Johannesburg, Michigan 49751

Dear Board:

I have audited the accompanying general purpose financial statements of Vienna Township, Montmorency County, Michigan as of and for the year ended March 31, 2004 as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Vienna Township, Montmorency County, Michigan as of March 31, 2004, and the results of its operations for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements and individual fund statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Vienna Township, Montmorency County, Michigan. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.


THOMAS R. ZICK CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

VIENNA TOWNSHIP
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
MARCH 31, 2004

	Governmental Fund Types		Fiduciary Type Tax Collection Fund
	General	Special Revenue	
ASSETS			
Cash demand and time deposits	\$ 1,712	\$ 1,391	\$ 141
Investments	86,000	39,000	-0-
Taxes and administration fee receivable	2,585	6,297	-0-
Amount to be provided for retirement of long-term debt	-0-	-0-	-0-
Property, plant and equipment	-0-	-0-	-0-
Total Assets	<u>\$ 90,297</u>	<u>\$ 46,688</u>	<u>\$ 141</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accrued liabilities	\$ 1,150	\$ -0-	\$ -0-
Installment notes payable	-0-	-0-	-0-
Due to other governments	-0-	2,099	141
Total Liabilities	<u>1,150</u>	<u>2,099</u>	<u>141</u>
Fund Equity:			
Investment in general fixed assets	-0-	-0-	-0-
Fund balance - undesignated	89,147	44,589	-0-
Total Fund Equity	<u>89,147</u>	<u>44,589</u>	<u>-0-</u>
Total Liabilities and Fund Equity	<u>\$ 90,297</u>	<u>\$ 46,688</u>	<u>\$ 141</u>

See Notes to Financial Statements

Account Groups		Total
General Long-Term Debt	Fixed Assets	(Memorandum Only)
\$ -0-	\$ -0-	\$ 3,244
-0-	-0-	125,000
-0-	-0-	8,882
54,725	-0-	54,725
<u>-0-</u>	<u>520,128</u>	<u>520,128</u>
<u>\$ 54,725</u>	<u>\$ 520,128</u>	<u>\$ 711,979</u>
\$ -0-	\$ -0-	\$ 1,150
54,725	-0-	54,725
<u>-0-</u>	<u>-0-</u>	<u>2,240</u>
<u>54,725</u>	<u>-0-</u>	<u>58,115</u>
-0-	520,128	520,128
<u>-0-</u>	<u>-0-</u>	<u>133,736</u>
<u>-0-</u>	<u>520,128</u>	<u>653,864</u>
<u>\$ 54,725</u>	<u>\$ 520,128</u>	<u>\$ 711,979</u>

VIENNA TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED MARCH 31, 2004

	<u>General</u>	<u>Special Revenue</u>	<u>Total (Memorandum Only)</u>
Revenue:			
Taxes	\$ 38,798	\$ 80,861	\$ 119,659
Licenses and permits	1,405	-0-	1,405
State	40,039	-0-	40,039
Charges for services	13,493	-0-	13,493
Interest earned	475	482	957
Rent and royalties	3,384	-0-	3,384
Other	<u>751</u>	<u>2,153</u>	<u>2,904</u>
Total Revenue	<u>98,345</u>	<u>83,496</u>	<u>181,841</u>
Expenditures:			
Legislative	34,439	-0-	34,439
General government	55,843	-0-	55,843
Public safety	<u>3,446</u>	<u>85,912</u>	<u>89,358</u>
Total Expenditures	<u>93,728</u>	<u>85,912</u>	<u>179,640</u>
Excess of revenues over (under) expenditures	4,617	(2,416)	2,201
Other financing sources			
Debt proceeds	<u>-0-</u>	<u>6,000</u>	<u>6,000</u>
Total other financing sources	<u>-0-</u>	<u>6,000</u>	<u>6,000</u>
Excess:			
Revenue and other financing sources over (under) expenditures	4,617	3,584	8,201
Fund balance (deficit) - April 1	<u>84,530</u>	<u>41,005</u>	<u>125,535</u>
Fund balance (deficit) - March 31	<u>\$ 89,147</u>	<u>\$ 44,589</u>	<u>\$ 133,736</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS
 YEAR ENDED MARCH 31, 2004

	General Fund		
	Budget	Actual	Favorable (Unfavorable)
Revenue:			
Taxes	\$ 40,642	\$ 38,798	\$ (1,844)
Licenses and permits	750	1,405	655
State	40,000	40,039	39
Charges for services	9,555	13,493	3,938
Interest earned	500	475	(25)
Rent and royalties	500	3,384	2,884
Other	2,000	751	(1,249)
Total Revenue	<u>93,947</u>	<u>98,345</u>	<u>4,398</u>
Expenditures:			
Legislative	33,866	34,439	(573)
General government	56,700	55,843	857
Public safety	3,600	3,446	154
Total Expenditures	<u>94,166</u>	<u>93,728</u>	<u>438</u>
Excess of revenues over (under) expenditures	(219)	4,617	4,836
Other financing sources			
Debt proceeds	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total other financing sources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess:			
Revenue and other financing sources over (under) expenditures	(219)	4,617	4,836
Fund balance (deficit) - April 1	<u>84,530</u>	<u>84,530</u>	<u>-0-</u>
Fund balance (deficit) - March 31	<u>\$ 84,311</u>	<u>\$ 89,147</u>	<u>\$ 4,836</u>

See Notes to Financial Statements

Special Revenue Funds			Total (Memorandum Only)		
Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
\$ 82,471	\$ 80,861	\$ (1,610)	\$ 123,113	\$ 119,659	\$ (3,454)
-0-	-0-	-0-	750	1,405	655
-0-	-0-	-0-	40,000	40,039	39
-0-	-0-	-0-	9,555	13,493	3,938
400	482	82	900	957	57
-0-	-0-	-0-	500	3,384	2,884
-0-	2,153	2,153	2,000	2,904	904
<u>82,871</u>	<u>83,496</u>	<u>3,625</u>	<u>176,818</u>	<u>181,841</u>	<u>5,023</u>
-0-	-0-	-0-	33,866	34,439	(573)
-0-	-0-	-0-	56,700	55,843	857
<u>95,000</u>	<u>85,912</u>	<u>9,088</u>	<u>98,600</u>	<u>89,358</u>	<u>9,242</u>
<u>95,000</u>	<u>85,912</u>	<u>9,088</u>	<u>189,166</u>	<u>179,640</u>	<u>9,526</u>
(12,129)	(2,416)	9,713	(12,348)	2,201	14,549
-0-	6,000	6,000	-0-	6,000	6,000
-0-	6,000	6,000	-0-	6,000	6,000
(12,129)	3,584	15,713	(12,348)	8,201	20,549
<u>41,005</u>	<u>41,005</u>	<u>-0-</u>	<u>125,535</u>	<u>125,535</u>	<u>-0-</u>
<u>\$ 28,876</u>	<u>\$ 44,589</u>	<u>\$ 15,713</u>	<u>\$ 113,187</u>	<u>\$ 133,736</u>	<u>\$ 20,549</u>

VIENNA TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF TOWNSHIP OPERATIONS AND FUND TYPES

The General Law Township is located in Montmorency County, Michigan and operates under an elected Township Board consisting of a Supervisor, Treasurer, Clerk and two Trustees. This Board and its employees provides services to the residents in areas such as fire protection, voter registration and maintenance of Township facilities.

The criteria established by GASB Statement No. 14 for determining the various governmental organizations to be included in the reporting entity's financial statements include oversight responsibility, scope of public service, and special financing relationships. On this basis, the financial statements of other Montmorency governmental organizations listed below are not included in the financial statements of Vienna Township.

The County operations are reported in financial statements separate from these statements as are those of other townships in the county. Education services are provided to citizens through the several local school districts which are also separate governmental entities.

BASIS OF PRESENTATION

Fund Accounting - The accounts of the township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The township maintains the following funds:

Governmental Funds

General Fund - This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the local unit. Revenues are derived primarily from property taxes and state and federal distributions, grants and other intergovernmental revenues.

Special Revenue Funds - These funds are used to account for specific governmental revenues (other than special assessments and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Fiduciary Funds

Tax Collection Fund - These Funds are used to account for assets held by the township in a trustee capacity for other governments and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

BASIS OF ACCOUNTING

The Township maintains its books and records on the modified accrual basis of accounting. Under this method, property taxes are recognized when levied and prepaid items such as insurance are recognized as expenditures when paid. This method is in accordance with methods prescribed by the State Treasurer and accounting principles generally accepted in the United States of America.

VIENNA TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GENERAL FIXED ASSET GROUP OF ACCOUNTS/FIXED ASSETS

Fixed asset purchases are recorded as expenditures during the year purchased in accordance with accounting principles generally accepted in the United States of America for municipalities. The account group is used to record all fixed assets.

TOTAL COLUMN ON COMBINED STATEMENT - OVERVIEW

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operation, or changes in financial position in conformity with accounting principles generally accepted in the United States of America.

CURRENT PROPERTY TAX LEVY

The township tax is levied on December 1 of each year as of the preceding December 31 valuation and attach an enforceable lien on the property. The taxes are collected by the Township Treasurer through approximately March 1 of each year at which time the County Treasurer and Township Treasurer settle and all delinquent taxes are turned over to the County for ultimate collection. Montmorency County has a delinquent tax revolving fund which annually, around June 15, purchases all delinquent taxes thereby providing the township with its entire levy.

NOTE B - BUDGETS AND BUDGETARY ACCOUNTING

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the departmental level.

The budgets were adopted on April 8, 2003 in violation of PA 621. The first expenditures actually occurred April 1, 2003, prior to formal adoption of the budget.

The budgets are amended throughout the fiscal year as necessary to avoid actual expenditures in excess of budgeted amounts. In addition, the budgets lapse at the end of each fiscal year.

The following budget categories were overspent:

<u>Line Item</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget Variance</u>
General Fund:			
Town Board	\$ 33,866	\$ 34,439	\$ (573)
Special Revenue:			
EMS	\$ 25,000	\$ 26,882	\$ (1,882)

VIENNA TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2004

NOTE C - CASH

The balance sheet accounts and types of cash items are presented below:

<u>Balance Sheet Accounts</u>		<u>Cash Items</u>	
Cash demand and time deposits	\$ 3,244	Savings and Checking	\$ 3,244
Investments	<u>125,000</u>	Investments	<u>125,000</u>
	<u>\$ 128,244</u>		<u>\$ 128,244</u>

Deposits - At year-end, the carrying amount of the Township's deposits was \$3,244 and the bank balance was \$8,799. Of the bank balance, 100% was covered by federal depository insurance.

The \$125,000 in investments are held in the National City Bank Municipal Investment Trust which is a pooled mutual fund and not required to be classified for risk purposes under GASB #13. The investments are uninsured.

NOTE D - PROPERTY AND EQUIPMENT

The changes in components of the General Fixed Asset Group is summarized as follows:

	<u>Beginning 4/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending 3/31/04</u>
ASSETS				
Land	\$ 27,725	\$ -0-	\$ -0-	\$ 27,725
Buildings and improvements	216,685	11,804	-0-	228,489
Equipment	<u>255,522</u>	<u>11,892</u>	<u>3,500</u>	<u>263,914</u>
	<u>\$ 499,932</u>	<u>\$ 23,696</u>	<u>\$ 3,500</u>	<u>\$ 520,128</u>
FUND EQUITY				
Investment in General				
Fixed Assets	<u>\$ 499,932</u>	<u>\$ 23,696</u>	<u>\$ 3,500</u>	<u>\$ 520,128</u>

NOTE E - PENSION PLAN

The township has a defined contribution pension plan. The Travelers Group choice annuity was selected as the carrier for the plan. The annuity guarantees the holder 3.5% minimum annual interest rate with no initial sales charge to the participant. The individual participant is required to contribute 7% of their earnings with the township matching that amount. The current year payroll covered under the plan was \$33,043. The Township contributed \$2,313 and the employees matched that figure.

NOTE F - RISK MANAGEMENT

The Township purchases insurance from a private insurance carrier for liability, worker's compensation and other insurable risks.

VIENNA TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2004

NOTE G - GENERAL LONG-TERM DEBT

Outstanding Debt Description

Installment Lease Purchase - secured by 2003 Kenworth pumper truck

Payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 15, 2005	\$ 23,845	\$ 2,114	\$ 25,959
March 15, 2006	24,880	1,079	25,959
	<u>\$ 48,725</u>	<u>\$ 3,193</u>	<u>\$ 51,918</u>

Interest is charged at 4.338% per annum. The debt was incurred to complete the purchase of a pumper truck and is owed to Kansas State Bank.

Outstanding Debt Description

Installment Note - secured by 1979 GMC tank truck.

Payments are due as follows:

	<u>Principal</u>
July 1, 2004	\$ 2,000
July 1, 2005	2,000
July 1, 2006	2,000
	<u>\$ 6,000</u>

No interest is charged on this debt. The debt was incurred to purchase a 1979 GMC tank truck and is owed to Tri-Township Fire Department.

The annual debt service for all debt combined is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004/05	\$ 25,845	\$ 2,114	\$ 27,959
2005/06	26,880	1,079	27,959
2006/07	2,000	-0-	2,000
	<u>\$ 54,725</u>	<u>\$ 3,193</u>	<u>\$ 57,918</u>

A summary of the changes in long-term debt is as follows:

	<u>3/31/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>3/31/04</u>
Installment debt	\$ 71,124	\$ 6,000	\$ 22,399	\$ 54,725

VIENNA TOWNSHIP
GENERAL FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

Cash demand and time deposits	\$ 1,712
Investments	86,000
Taxes and administration fee receivable	<u>2,585</u>
Total Assets	<u>\$ 90,297</u>

LIABILITIES AND FUND EQUITY

Liabilities:	
Accrued liabilities	<u>\$ 1,150</u>
Total Liabilities	<u>1,150</u>
Fund Equity:	
Fund balance	<u>89,147</u>
Total Fund Equity	<u>89,147</u>
Total Liabilities and Fund Equity	<u>\$ 90,297</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue:			
Taxes	\$ 40,642	\$ 38,798	\$ (1,844)
Licenses and permits	750	1,405	655
State	40,000	40,039	39
Charges for services	9,555	13,493	3,938
Interest earned	500	475	(25)
Rent and royalties	500	3,384	2,884
Other	<u>2,000</u>	<u>751</u>	<u>(1,249)</u>
Total Revenue	<u>93,947</u>	<u>98,345</u>	<u>4,398</u>
Expenditures:			
Legislative	33,866	34,439	(573)
General government	56,700	55,843	857
Public safety	<u>3,600</u>	<u>3,446</u>	<u>154</u>
Total Expenditures	<u>94,166</u>	<u>93,728</u>	<u>438</u>
Excess of revenues over (under) expenditures	(219)	4,617	4,836
Fund balance (deficit) - April 1	<u>84,530</u>	<u>84,530</u>	<u>-0-</u>
Fund balance (deficit) - March 31	<u>\$ 84,311</u>	<u>\$ 89,147</u>	<u>\$ 4,836</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
 DETAIL SCHEDULE OF REVENUES
 BUDGET TO ACTUAL - GENERAL FUND
 YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TAXES:			
Property taxes	\$ 27,642	\$ 25,573	\$ (2,069)
Swamp tax	<u>13,000</u>	<u>13,225</u>	<u>225</u>
	<u>40,642</u>	<u>38,798</u>	<u>(1,844)</u>
LICENSES AND PERMITS:			
Zoning permits	750	780	30
Site Plan Review	-0-	250	250
Land Division Fee	<u>-0-</u>	<u>375</u>	<u>375</u>
	<u>750</u>	<u>1,405</u>	<u>655</u>
STATE SHARED REVENUE:	<u>40,000</u>	<u>40,039</u>	<u>39</u>
CHARGES FOR SERVICES			
Tax Administration Fee	9,555	9,313	(242)
SET Tax Collection Fee	-0-	3,040	3,040
Cemetery Lots	<u>-0-</u>	<u>1,140</u>	<u>1,140</u>
	<u>9,555</u>	<u>13,493</u>	<u>3,938</u>
INTEREST EARNED	<u>500</u>	<u>475</u>	<u>(25)</u>
RENT - ROYALTIES:			
Hall rent	500	615	115
Gas Royalty	<u>-0-</u>	<u>2,769</u>	<u>2,769</u>
	<u>500</u>	<u>3,384</u>	<u>2,884</u>
OTHER:			
Miscellaneous	<u>2,000</u>	<u>751</u>	<u>(1,249)</u>
Total Revenues	<u>\$ 93,947</u>	<u>\$ 98,345</u>	<u>\$ 4,398</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL FUND
EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Legislative:			
Township Board	\$ 33,866	\$ 34,439	\$ (573)
Total Legislative	<u>33,866</u>	<u>34,439</u>	<u>(573)</u>
General Government:			
Supervisor	7,400	7,265	135
Election	100	70	30
Assessor	12,000	11,979	21
Clerk	8,000	7,789	211
Board of Review	1,000	943	57
Treasurer	12,200	12,018	182
Cemetery	500	487	13
Town Hall	<u>15,500</u>	<u>15,292</u>	<u>208</u>
Total General Government	<u>56,700</u>	<u>55,843</u>	<u>857</u>
Public Safety:			
Planning and Zoning	3,000	2,932	68
Emergency Services	<u>600</u>	<u>514</u>	<u>86</u>
Total Public Safety	<u>3,600</u>	<u>3,446</u>	<u>154</u>
Total Expenditures	<u>\$ 94,166</u>	<u>\$ 93,728</u>	<u>\$ 438</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES
YEAR ENDED MARCH 31, 2004

LEGISLATIVE

Township Board

Salaries	\$ 3,641
Payroll taxes	1,463
Telephone	425
Insurance	3,236
Contracted services	23,067
Other	576
Pension	<u>2,031</u>
	<u>34,439</u>

GENERAL GOVERNMENT

Supervisor

Salaries	7,124
Other	<u>141</u>
	<u>7,265</u>

Election

Office supplies	<u>70</u>
	<u>70</u>

Assessor

Office Supplies	1,759
Contracted Services	<u>10,220</u>
	<u>11,979</u>

Clerk

Salaries	7,210
Office Supplies	484
Mileage	<u>95</u>
	<u>7,789</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES (CONTINUED)
YEAR ENDED MARCH 31, 2004

<u>Board of Review</u>	
Salaries	\$ 684
Education & travel	<u>259</u>
	<u>943</u>
<u>Treasurer</u>	
Salaries	8,528
Mileage	360
Office supplies	<u>3,130</u>
	<u>12,018</u>
<u>Cemetery</u>	
	<u>487</u>
<u>Township Hall</u>	
Salaries	383
Fuel	1,248
Electricity	358
Services	2,411
Capital outlay	<u>10,892</u>
	<u>15,292</u>
<u>Zoning</u>	
Salaries	2,824
Printing and publishing	32
Education	37
Mileage	19
Office supplies	<u>20</u>
	<u>2,932</u>
<u>Emergency Services</u>	
Salaries	390
Travel	<u>124</u>
	<u>514</u>
Total Expenditures	<u><u>\$ 93,728</u></u>

See Notes to Financial Statements

VIENNA TOWNSHIP
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
MARCH 31, 2004

	<u>Fire</u>	<u>EMS</u>	<u>Total</u>
ASSETS			
Cash demand and time deposits	\$ 1,391	\$ -0-	\$ 1,391
Investments	39,000	-0-	39,000
Taxes receivable	<u>4,198</u>	<u>2,099</u>	<u>6,297</u>
Total Assets	<u>\$ 44,589</u>	<u>\$ 2,099</u>	<u>\$ 46,688</u>
LIABILITIES AND FUND EQUITY			
Due to other governments	<u>\$ -0-</u>	<u>\$ 2,099</u>	<u>\$ 2,099</u>
Total Liabilities	<u>-0-</u>	<u>2,099</u>	<u>2,099</u>
Fund Equity:			
Fund balance:			
Undesignated	<u>44,589</u>	<u>-0-</u>	<u>44,589</u>
Total Fund Equity	<u>44,589</u>	<u>-0-</u>	<u>44,589</u>
Total Liabilities and Fund Equity	<u>\$ 44,589</u>	<u>\$ 2,099</u>	<u>\$ 46,688</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE - ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2004

	<u>Fire</u>	<u>EMS</u>	<u>Total</u>
Revenue:			
Taxes	\$ 53,979	\$ 26,882	\$ 80,861
Interest	482	-0-	482
Other	<u>2,153</u>	<u>-0-</u>	<u>2,153</u>
Total Revenue	<u>56,614</u>	<u>26,882</u>	<u>83,496</u>
Expenditures:			
Wages	8,195	-0-	8,195
Fringe benefits	282	-0-	282
Fuel	490	-0-	490
Service charges	3,899	26,882	30,781
Insurance	5,006	-0-	5,006
Repairs and maintenance	1,654	-0-	1,654
Capital outlay	12,804	-0-	12,804
Miscellaneous	742	-0-	742
Principal	22,399	-0-	22,399
Interest	<u>3,559</u>	<u>-0-</u>	<u>3,559</u>
Total Expenditures	<u>59,030</u>	<u>26,882</u>	<u>85,912</u>
Excess:			
Revenue over (under) expenditures	(2,416)	-0-	(2,416)
Other financing sources			
Debt proceeds	<u>6,000</u>	<u>-0-</u>	<u>6,000</u>
Total other financing sources	<u>6,000</u>	<u>-0-</u>	<u>6,000</u>
Excess:			
Revenue and other financing sources over (under) expenditures	3,584	-0-	3,584
Fund balance (deficit)-April 1	<u>41,005</u>	<u>-0-</u>	<u>41,005</u>
Fund balance (deficit) -March 31	<u>\$ 44,589</u>	<u>\$ -0-</u>	<u>44,589</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
FIRE FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

Cash demand and time deposits	\$ 1,391
Investments	39,000
Taxes receivable	<u>4,198</u>
Total Assets	<u>\$ 44,589</u>

FUND EQUITY

Fund Equity:	
Fund balance	<u>\$ 44,589</u>
Total Fund Equity	<u>\$ 44,589</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
FIRE FUND
STATEMENT OF REVENUES BY SOURCES AND EXPENDITURES BY OBJECT
YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Property taxes	\$ 57,471	\$ 53,979	\$ (3,492)
Interest earned	400	482	82
Other	<u>-0-</u>	<u>2,153</u>	<u>2,153</u>
Total Revenue	<u>57,871</u>	<u>56,614</u>	<u>(1,257)</u>
Expenditures:			
Salaries and wages		8,195	
Utilities and telephone		3,899	
Repairs and maintenance		1,654	
Fuel		490	
Insurance		5,006	
Miscellaneous		742	
Retirement		282	
Capital outlay		12,804	
Principal		22,399	
Interest		<u>3,559</u>	
Total Expenditures (1)	<u>70,000</u>	<u>59,030</u>	<u>10,970</u>
Excess of revenues over (under) expenditures	(12,129)	(2,416)	9,713
Other Financing Sources			
Debt Proceeds	<u>-0-</u>	<u>6,000</u>	<u>6,000</u>
Total Other Financing Sources	<u>-0-</u>	<u>6,000</u>	<u>6,000</u>
Excess of revenues and other financing over (under) sources over (under) expenditures	<u>(12,129)</u>	<u>3,584</u>	<u>15,713</u>
Fund balance (deficit) - April 1	<u>41,005</u>	<u>41,005</u>	<u>-0-</u>
Fund balance (deficit) - March 31	<u>\$ 28,876</u>	<u>\$ 44,589</u>	<u>\$ 15,713</u>

(1) Budgeted in total only.

See Notes to Financial Statements

VIENNA TOWNSHIP
EMS FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

Taxes receivable \$ 2,099

Total Assets \$ 2,099

LIABILITIES AND FUND EQUITY

Liabilities:

Due to Other Governments \$ 2,099

Total Liabilities 2,099

Fund Equity:

Fund balance -0-

Total Fund Equity -0-

Total Liabilities and Fund Equity \$ 2,099

See Notes to Financial Statements

VIENNA TOWNSHIP
EMS FUND
STATEMENT OF REVENUES BY SOURCES AND EXPENDITURES BY OBJECT
YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue:			
Property taxes	<u>\$ 25,000</u>	<u>\$ 26,882</u>	<u>\$ 1,882</u>
Total Revenue	<u>25,000</u>	<u>26,882</u>	<u>1,882</u>
Expenditures:			
Services	<u>25,000</u>	<u>26,882</u>	<u>(1,882)</u>
Total Expenditures	<u>25,000</u>	<u>26,882</u>	<u>(1,882)</u>
Excess of revenues over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund balance (deficit) - April 1	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund balance (deficit) - March 31	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>

See Notes to Financial Statements

VIENNA TOWNSHIP
TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2004

ASSETS

Cash demand and time deposits	\$ <u>141</u>
Total Assets	<u>\$ 141</u>

LIABILITIES

Undistributed collections	\$ <u>141</u>
Total Liabilities	<u>\$ 141</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2004

	<u>Balance April 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance March 31, 2004</u>
ASSETS				
Cash demand and time deposits	\$ <u>5</u>	\$ <u>897,691</u>	\$ <u>897,555</u>	\$ <u>141</u>
Total Assets	<u>\$ 5</u>	<u>\$ 897,691</u>	<u>\$ 897,555</u>	<u>\$ 141</u>
LIABILITIES				
Due to other governmental units	\$ <u>5</u>	\$ <u>781,943</u>	\$ <u>781,807</u>	\$ <u>141</u>
Due to other funds	<u>-0-</u>	<u>115,748</u>	<u>115,748</u>	<u>-0-</u>
Total Liabilities	<u>\$ 5</u>	<u>\$ 897,691</u>	<u>\$ 897,555</u>	<u>\$ 141</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL LONG-TERM DEBT
GROUP OF ACCOUNTS
MARCH 31, 2004

ASSETS

Amount to be provided for retirement of long-term debt	\$ 54,725
Total Assets	<u>\$ 54,725</u>

LIABILITIES

Installment notes payable	\$ 54,725
Total Liabilities	<u>\$ 54,725</u>

See Notes to Financial Statements

VIENNA TOWNSHIP
GENERAL FIXED ASSETS
GROUP OF ACCOUNTS
MARCH 31, 2004

ASSETS

Land	
Buildings and improvements	\$ 27,725
Equipment	228,489
	<u>263,914</u>
Total Assets	<u>\$ 520,128</u>

FUND EQUITY

Investment In general fixed assets	<u>\$ 520,128</u>
------------------------------------	-------------------

See Notes to Financial Statements



Thomas R. Zick CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

P.O. BOX 149, 2947 MANTZ STREET
LEWISTON, MICHIGAN 49756
TELEPHONE: (989) 786-4032
FAX: (989) 786-7219

FINANCIAL AUDIT COMMENTS

September 29, 2004

Vienna Township Board
Johannesburg, Michigan 49751

In planning and performing my audit of the general purpose financial statements of Vienna Township, for the year ended March 31, 2004, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure. However, I noted certain matters involving the internal control structure and its operation that I feel should be brought to your attention and are summarized in the following paragraphs.

SEGREGATION OF DUTIES - There is not adequate segregation of duties in the accounting function. The treasurer receives all funds (receipts) and also reconciles the bank accounts. However, because of the size of the Township it is not only difficult but for all practical purposes impossible to obtain ideal segregation of duties. The Township Board must recognize that all internal controls must be evaluated for cost effectiveness and at this point little can be done to increase the controls without considerable cost increase. The controls which could be added would have to be compared with the costs required to obtain those controls.

BUDGETS - The township board adopted the budget for the audited year on April 8, 2003. Expenditures were incurred on April 1, 2003 which was prior to formal adoption of the budget. Public Act 621 requires that the budget for a fiscal year be formally adopted prior to incurring any expenditures.

I would suggest that the budget be adopted in March to avoid these violations in the future. I also have noted that the Township did adopt the 2004/05 budget in March of 2004 which complies with PA 621.

During the 2003-2004 year the following departmental line items were spent in excess of the budgeted amount:

<u>Line Item</u>	<u>Budget Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund:			
Township Board	\$ 33,866	\$ 34,439	\$ (573)
Special Revenue:			
EMS Fund	\$ 25,000	\$ 26,882	\$ (1,882)

EMS FUND

The Township's ledger should reflect the tax collection and the payments to the Tri-Township Ambulance in a fund similar to the Fire Fund. Presently the activity is only reported in the Tax Collection Fund.

GASB STATEMENT NO. 34

Your next audit will require the report to be prepared using the GASB #34 format. It will require computing depreciation on the fixed assets and including any outstanding debt in the balance sheet (Statement of Net Assets). We can assist you in preparing for this.

In general, as has always been the case in the past, the records were organized. Bank accounts were timely and accurately reconciled. For a Township the size of Vienna, the accounting process appears to be working in good order.

This report is intended solely for the information and use of Vienna Township's management, and the Michigan Department of Treasury and is not intended to be and should not be used by anyone other than these specified parties.



THOMAS R. ZICK CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT